

CITY OF PITTSBURG
Redevelopment Agency Minutes
October 6, 2003

Chair Yvonne Beals called the meeting of the Redevelopment Agency to order at 7:00 P.M. in the City Council Chambers at City Hall, 65 Civic Avenue, Pittsburg, California after having met at 5:00 P.M. in Closed Session pursuant to Government Code Section 54956.8, Conference with Real Property Negotiator regarding 415 Railroad Avenue (APN 085-109-001) and Marina Boulevard (APNs 085-001-005, 010, 014, 017 and 021); Conference with Legal Counsel - Existing Litigation pursuant to Section 54956.9 regarding Joyce Glasper v. City of Pittsburg, Superior Court Case No. C03-00389; Conference with Legal Counsel - Anticipated Litigation pursuant to subdivision (b) of Section 54956.9 regarding two cases; and Liability Claims pursuant to Section 54956.95 regarding one case.

City Attorney Linda Daube reported from Closed Session with respect to the property negotiations for 415 Railroad Avenue that the City Council had voted in favor, with one abstention from Councilmember Kee as a result of a potential conflict of interest, to grant an Exclusive Right to Negotiate with Adam & Associates until January 6, 2004 for property identified as APN 085-109-001. Further with respect to a potential claim regarding Mr. Greigo, that the City Council had determined that Mr. Greigo would receive his final check under the terms of the contract. Said check was made available at this time and was received by Lisa Greigo who was present in the audience.

MEMBERS PRESENT: Glynn, Kee, Parent, Rios, Beals

MEMBERS ABSENT: None

STAFF PRESENT Assistant Executive Director, Nasser Shirazi
Legal Counsel, Linda Daube
City Clerk, Lillian Pride
Director of the Redevelopment Agency, Garrett Evans
Director of Economic Development, Brad Nail
Director of Recreation, Paul Flores
Director of Finance, Marie Simons
Director of Human Resources, Marc Fox
Director of Public Works, John Fuller
Director of Planning and Building, Randy Jerome
Police Chief, Aaron Baker
Executive Assistant to the City Manager, Alice Evenson

PLEDGE OF ALLEGIANCE

Betty Brown led the Pledge of Allegiance.

Mayor Beals requested that both the Redevelopment Agency and the City Council meetings adjourn in memory of Joy Welden, a City employee who had recently passed away. There was a moment of silence for Joy Welden at this time.

CITIZENS REMARKS

ALEX DRYER, Pittsburg, understood that during the last Redevelopment Agency meeting there had been a number of comments related to the California Theatre. He characterized the downtown as "dead" and wanted to see something done to improve the downtown.

MEMBERS REMARKS

There were no Member remarks.

CONSENT

On motion by Member Rios, seconded by Member Glynn, and carried unanimously to adopt the Consent Calendar, as follows:

- a. **MINUTES** Dated: September 15, 2003

Approved Minutes dated September 15, 2003.

CONSIDERATION

Mayor Beals CONVENED JOINTLY the REDEVELOPMENT AGENCY and the CITY COUNCIL to consider the following:

1. **RESOLUTION 03-924** Allocating Additional Funding for Contract 99-05, State
Combined w/CC 03-9921 Route 4 Flood Relief Project and Making Certain Findings in Connection Herewith

Assistant Executive Director Nasser Shirazi reported that on May 19, 2003, the Redevelopment Agency adopted Resolution No. 03-890 allocating funding for Contract 99-05, State Route 4 Flood Relief Project. On May 19, 2003, the City Council had adopted Resolution No. 03-9818, awarding a construction contract in the amount of \$6,833,135. During the course of construction the Contractor had encountered a variety of construction issues which had depleted the contract contingency.

The total project budget for this project as approved in the Fiscal Year 2002-2003 Carryover Capital Improvement Program (CIP) adopted on January 21, 2003 by City Council Resolution No. 03-9747, was for \$11,341,000. After opening bids on May 1, 2003, the construction budget of \$8,665,000 had been approved. The current estimated additional funding required to complete the construction of the project was \$1,445,000. The final costs of the project would be dependent on pending claims and possible litigation regarding some

of the additional project expenses. The additional funding would raise the total construction budget to \$10,110,000.

Mr. Shirazi recommended that the City Council adopt the resolution making certain findings and consenting to the Redevelopment Agency's expenditure of additional funds for the project and authorizing an additional \$1,445,000 for use by the City Manager for change orders.

On motion by Chair Beals, seconded by Member Kee and carried unanimously to adopt Redevelopment Agency Resolution 03-924.

On motion by Councilmember Glynn, seconded by Vice Mayor Rios and carried unanimously to adopt City Council Resolution 03-9921.

2. **RESOLUTION 03-925** Authorizing the Executive Director to Enter into a Consultant Agreement with VenueTech and Architectural Resources Group for the Purpose of Developing a Market and Feasibility Analysis for the California Theatre

Mr. Shirazi advised that the Redevelopment Agency of the City of Pittsburg solicited to have a market and feasibility analysis of the California Theatre. The Agency mailed out a request for proposal to nine consultants to perform the Study. The Agency received three eligible responses and the proposal from VenueTech and Architectural Resources Group was selected. Once the study was completed, the Agency Board can determine the proper course of action to best benefit the downtown and the entire community.

The estimated cost of the study is \$26,600 (a \$25,800 fee and \$800 in reimbursable expenses) to be paid by the newly created California Theatre Project account.

Mr. Shirazi recommended that the City Council authorize the Executive Director to enter into a consultant agreement with VenueTech and Architectural Resources Group for the purposes of developing a market and feasibility analysis of the California Theatre.

Director of the Redevelopment Agency Garrett Evans noted that there were three acceptable proposals which the City had received from VenueTech, working with Architectural Resources Group (ARG), AMS Research and Planning working with Landry and Bogan and B-Squared Consulting. Staff and four department heads had pursued the selection process similar to what had been done for the Black Diamond project.

As part of staff's scoring analysis to reach a recommendation, Mr. Evans reported that there were five strong points which had resulted in the staff recommendation to support the proposal from VenueTech and the ARG team over AMS Research and Planning and Landry and Bogan. The proposal from VenueTech and ARG had involved a price that was 40 percent less than the competitors, at \$9,000. The projects profiled by the VenueTech and ARG team were more recent, excellently presented and had received over 40 awards

and honors. There had been a strong emphasis from the VenueTech and ARG team on balancing the City's creative community service and financial goals and they had offered the development of alternative financing scenarios to determine ways to leverage the City's commitment approved on September 15, 2003 for the renovation of the California Theatre.

Mr. Evans advised that staff had checked the references from VenueTech and ARG and had found projects located in the cities of Campbell and Turlock where VenueTech and ARG had laid out options to augment the city funding available in those projects. He added that the most important component that had raised the bar for the VenueTech proposal had been that their proposal had been more comprehensive and would involve an interactive community involvement plan.

VenueTech had tied everything together with a symposium within the community to discuss the progress and to work within the community, which was something that City staff had determined to be an important component. Staff wanted to also follow the library project and have a steering group for the California Theatre and pursue the study process to ensure that the concerns of the community were heard as the City proceeded through the development of the scope of work for the project.

RONALD JOHNSON, Pittsburg, spoke to the VenueTech proposal and the fact that the proposal would have community involvement with a symposium. He understood as part of the previous discussion on the project that community involvement would have been included by the firm selected to prepare a feasibility study for the theatre. Mr. Johnson expressed concern becoming involved with an organization where no community input had been involved and where the City had taken it upon itself in a closed meeting to make a decision. He pointed out that VenueTech was also making a proposal to the City of Antioch, and if that occurred he questioned how much commitment would be made to the City of Pittsburg. In that regard, he suggested that VenueTech would have a conflict of interest.

Mr. Johnson spoke to the culture and history of the City of Pittsburg and noted that the building had notable beaux-arts architecture, important since the design of the building was on the National Historic Registry, and was one of the oldest buildings in the City. He also commented that the history of the building was an autobiography of the City and the community and served as a diary of what the buildings had been and the events and status of the community at that time and into the future. He characterized the building as part of the community's identity, a center and a district.

Mr. Johnson further spoke to the culture of the City and suggested that a cultural center based in the California Theatre would provide development not just for the downtown but for the remainder of the City and a way of life to bring people to Pittsburg.

LINDA JOHNSON, Pittsburg, presented the Council with information she had obtained from the Internet, which included a list of theaters that had been renovated throughout the country. She also provided copies of her written comments. She suggested

that the City would be wasting money expending funds for a feasibility study since there were already plans and feasibility for the construction of the building. She noted that the City and Pacific Community Services Inc. (PCSI) had already done considerable research work and it was known that the theatre could be restored. As an example, Ms. Johnson cited the Alex Theatre in downtown Glendale which had been renovated and which had revitalized the downtown area in that community with restaurants, gift shops and the like, bringing people into that area.

Ms. Johnson noted that there was a plethora of organizations that could assist the City in outfitting the theater and providing the expertise to be able to operate the theater as a performing arts center. She commented that the San Francisco Chapter of the America Theater of Organ Society would actually provide an organ and the only payment requirement would be the requirement for an occasional concert. She also commented that there was an individual in Pennsylvania who had enough paraphernalia to outfit an entire theater, including two projectors, reasonably priced. She suggested that the City needed to capture people's interest and determine how it would help to revitalize the downtown, which would generate money for the City.

Ms. Johnson added that the League of Historic American Theaters, of which the City had been a member and could again be a member for a nominal fee, could provide information on how to operate a performing arts center. She emphasized the need to recognize the value and culture of the City and to create an attraction in the downtown area for seniors, youth and the community as a whole.

Ms. Johnson suggested that the theater could be used for town meetings, organizational meetings, afternoon shows for seniors, plays for youth, creative theater and lessons for youth and the community. Additionally, such a venue could be used for vaudeville, melodrama, and dance recitals, silent movies with a pipe organ, professional plays and scheduled weekends. She suggested that venue would help to revitalize the downtown.

BEN JOHNSON, Pittsburg, expressed his support for the feasibility study. He suggested that the fees for the study were minimal compared to the six million figure that had earlier been identified to upgrade the facility. He agreed that the community should be involved and be comfortable with the firm chosen to prepare the feasibility study. He requested assurance from the Council that the community would be involved in the process.

TOM LaFLEUR, Pittsburg, representing Pacific Community Services Inc., (PCSI) also commented on the process and the need for community input. He emphasized that including the community in the process was key in that VenueTech had also acknowledged that community input was required to accurately identify the needs, goals and passions of residents.

Mr. LaFleur recognized that VenueTech was a fine company with a good reputation for having done good works, although he had concerns with that firm since it was also the

consultant for the Campanil Theater in Antioch, a facility that had been built in 1928 to compete with the California Theatre. He suggested that the Campanil Theater could again represent competition in terms of capturing the East County market for the types of events described. He also noted that if the City were to ever embark on a fundraising campaign, the California Theatre would compete with the Campanil Theater for the same donor pool. He suggested it would be a difficult task for VenueTech to serve both the cities of Antioch and Pittsburg equally well.

Mr. LaFleur added that one of the points of the feasibility study had been to recommend a governance and management structure. He noted that VenueTech managed most of the facilities for which it worked. As such, he suggested that would also make it difficult for the firm to analyze the capabilities of the community or for the City to self manage the facility.

In reviewing what the City had included in its proposal, Mr. LaFleur questioned whether or not the City had succeeded in selecting the most experienced and knowledgeable consultant in theater restoration, management issues, revenue generation capacity and the like. He pointed out that if the Council were to look at the 200 clients that AMS Research had been involved, it would find that that firm was the most knowledgeable, premier and experienced firm in the country.

Mr. LaFleur further commented that the community should be structurally involved in the process, not just with a symposium. He suggested that there should be a structure that involved City Council members, PCSI Board Members, staff and community members to manage the contract and to aid in the selection and management process.

Member Kee inquired of staff whether or not VenueTech would manage the theater after it was improved. He expressed concern with any situation where a firm would recommend work for itself.

Mr. Evans explained that the item before the Council at this time was only a recommendation to select VenueTech to prepare a feasibility study. Staff was not asking for any other type of approval in terms of fundraising or management operations. Part of the VenueTech study would be to look at the different types of operational structures, such as a private entity that could operate a movie show or theater use to having the Recreation Department operate the facility, to a non-profit organization such as PCSI or other types of private firms operating the facility. The feasibility study would lay out the pros and cons as part of that study. From that point, the Agency would consider different actions.

Mr. Evans recognized that like any firm, VenueTech might include that in its proposal, although the Agency was not in any way committed to that firm, nor was the Agency expecting the firm to go any farther than a feasibility study, as proposed.

Member Rios reminded PCSI that it had approached the Redevelopment Subcommittee, of which she was a member, and had recommended the preparation of a feasibility study to answer questions related to the renovation of the California Theatre. In

terms of the concerns with respect to competition, in her opinion, competition was good and was an element that the feasibility study would evaluate.

Member Parent acknowledged that a number of good points had been raised. She emphasized that the Agency cared enough about the California Theatre to proceed carefully, although its overall responsibility was to spend Agency funds wisely. Member Parent added that the Agency needed some assurance that it would not be spending potentially millions of dollars to end up with an empty building. She suggested that it behooved the Council to proceed cautiously. She also recognized that PCSI had an idea of what it wanted to occur although that was not the only proposal that had been presented to the Agency. Members had also been approached with other ideas of what to do with the building, which must be considered as well.

Member Parent expressed concern that as a long time resident of the City there remained concerns with competition with surrounding cities. She emphasized the Agency and Council's embrace of regionalism and commented that while the City of Pittsburg competed with the City of Antioch, it would also be competing with the cities of Brentwood, Concord, the Chronicle Pavilion, Walnut Creek and in a sense with the City of San Francisco.

Chair Beals also spoke to the concerns with the staff recommendation and pointed out that the feasibility study had been requested by the community. While there could be some mixed messages in the community as to whether or not the Agency was being responsive to the community, the Agency had also been asked to prepare a feasibility study and must be responsible for the expenditure of taxpayer and redevelopment funds.

Chair Beals emphasized that the City of Pittsburg and those involved closely with the project should have confidence in the study. She suggested that it was up to the Agency and the community to ensure that the firm chosen had the appropriate information necessary to ensure that the feasibility study was something that the entire Agency could consider. She emphasized that the feasibility study would address such questions as to how the facility would operate, how much it would cost to operate and what it would operate as.

Chair Beals further emphasized that the Agency was trying to provide assurance that the community would participate in the process, as it had with the library and other community projects. During community meetings she expected full participation from everyone concerned with the impacts to the downtown.

Member Kee requested that whichever firm was chosen to prepare the feasibility study be directed to work closely with not only PCSI, but with all of the other proposed uses that the Council had heard were interested in the theater project to ensure the best possible selection of what could transpire for the building and to allow the consultant a better understanding of what had been proposed.

Chair Beals also expected that the firm would conduct outreach in Oak Hills and the

western and eastern ends of the City to ensure an inclusion of the best possible use of the building, to ensure full community participation.

On motion by Vice Chair Rios, seconded by Member Glynn and carried unanimously to adopt Resolution 03-925 with the establishment of an Ad Hoc Committee to work with VenueTech as well as with the community on any workshops to ensure community involvement and to include the City's perspective.

As to when the Ad Hoc Committee could be established, Chair Beals advised that recommendations to the committee would be agendized for the Redevelopment Agency meeting scheduled for October 20, 2003. Interested persons wishing to participate were encouraged to contact the Chair prior to that meeting.

ADJOURNMENT

The meeting of the Redevelopment Agency adjourned at 7:40 P.M. *In Memory of Joy Welden* to the regular meeting on October 20, 2003.

Respectfully submitted,

Lillian J. Pride, Secretary

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City Council Minutes
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MEMBERS PRESENT: Glynn, Kee, Parent, Rios, Beals

MEMBERS ABSENT: None

STAFF PRESENT: Assistant City Manager, Nasser Shirazi
City Attorney, Linda Daube
City Clerk, Lillian Pride
Director of the Redevelopment Agency, Garrett Evans
Director of Economic Development, Brad Nail
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CITIZENS REMARKS

BEN JOHNSON, Pittsburg, the Chairman of the United Veterans Council, took the opportunity to update the Council on the WWII tank. He reported that the tank should

officially be in the City on Saturday, October 11 and would be brought to the Armory where it would be demilitarized prior to its final destination. He anticipated that work would be done by Veterans Day on November 11, 2003.

Mayor Beals suggested that the arrival of the tank be videotaped with the tapes placed in the archives of the Pittsburg Historical Society.

WILLIE MIMS, Pittsburg, representing the Black Political Association (BPA), commended the Council for doing the right thing by paying Mr. Greigo. He also commented on the City's street repair projects, reporting that after several years his street, which had been in dire need of repair, had finally been repaired and repaved. He thanked Public Works Director Fuller for keeping his word by doing that project.

Mr. Mims also suggested that his street would have been completed in 2002 although there had been a shortage of funds. He urged the Council to increase funding in the City's street repair and repaving projects by at least 75 to 80 percent to ensure that all taxpayers had his/her streets repaired or repaved. He otherwise commented that during the prior Council meeting, Charles Smith and Carl Smith [not related] had appeared before the Council to raise complaints with police mistreatment by the same police officer. He noted that this was not the first time such complaints had come before the Council or another body of authority regarding police mistreatment.

Mr. Mims commented that Charles Smith had asked the Council during the past meeting to address his concerns with police mistreatment, although nothing had been done. He urged the Council to create a Citizen Police Review Commission, which could have the authority and power to do something about such complaints. He noted, for instance, that another claim had been included in the Council packets related to similar police mistreatment. He suggested that the Council increase the City Attorney's budget since decisions were being made that could impact the Attorney's budget.

ELVIN SCOTT, Pittsburg, commented that he had received a number of medals that would be presented through the Veterans of Foreign Wars (VFW) on November 11. He added that he would be preparing some television shows in Los Angeles and had visited the VA Loma Linda Health Care System where the Public Affairs Officer for that facility had agreed to show a 90 minute tape that he had presented to her. He expressed his hope to have his organization in place at every VA hospital in the State and on cable television. He emphasized the efforts to get information out to Veterans on social security, pension, and retirement benefits. He thanked everyone who had assisted him to make that a reality.

COUNCIL REPORTS

Councilmember Parent reported that she had attended retirement functions for two longtime City employees, Police Commander Joe Porter and Mr. John Edwards who had operated the City's Water Plant on Olympia Avenue. She stated that both employees had provided excellent service to the City.

Councilmember Parent also reported on a meeting called by Assemblymember Canciamilla to update public officials on what was happening in Sacramento. Assemblymember Canciamilla did not have positive information and had projected that things would be worse in 2004 since the efforts to balance the budget this year would create more problems in the ensuing years. She emphasized that cities would have to continually watch to ensure that the State did not take away money from local government that honestly belonged to the local governments.

Councilmember Parent added that she had participated in the Delta 2000 Hunger Walk on October 4. She thanked all of the citizens who had pledged in excess of \$1,000 for her walk around the Contra Loma Reservoir. She noted that 100 percent of every donation made to the Hunger Walk would go to the food closet that the walker or donor had selected.

Councilmember Parent also reported that she had walked for the Pittsburg Emergency Food Closet located on Tenth Street, which was operated by volunteers. She explained that 20 percent of the funds she had raised had come from donations from City employees. She took this opportunity to thank those City employees for his/her pledges.

Councilmember Parent had also recently attended an American Transportation Association National Convention in Salt Lake City, Utah as a member of the Board of Directors of Tri-Delta Transit, representing the City of Pittsburg. Noting a number of competitions as part of that convention, she announced that Gilbert Castro, a Tri-Delta bus driver, had competed in one of the competitions and had come in first in the event. Additionally, Tri-Delta Transit mechanics had placed 6th in their event, beating King County (Seattle, Washington), AC Transit of Oakland/Berkeley, TriMet of Portland, Oregon, Orange County Transportation Authority and the Los Angeles County Metropolitan Transit Authority, San Mateo Transit, a New York transit agency, New Jersey Transportation and Corporation, and many others. After the many competitions, she stated that Tri Delta Transit had won the prize for the best transportation agency in the nation. She commended the employees of Tri Delta Transit and congratulated all involved.

Councilmember Parent further announced that Impulse Galley was holding a free art exhibition titled "In the Eye of the Beholder" to be held from October 12 to 26, with displays of artwork by local artists. She urged everyone to visit the exhibit.

Councilmember Glynn reported that he had visited the Stoneman Village Board of Directors to become familiar with the progress of the Senior Center and Presidio Village projects. He commended everyone involved in those projects. He had also attended the Rotary Club Golf Tournament with a dinner following at Zandonella's Restaurant. The event involved 85 participants and produced \$5,400 to be returned to the City through the dictionary program and through scholarships and the like. He added that he had also attended the Grand Opening of Starbucks with the Mayor.

Councilmember Glynn also reported that he and Councilmember Kee had met with City of Antioch Mayor Don Freitas and City of Brentwood Vice Mayor Annette Beckstrand to

discuss the issues regarding the increase in traffic mitigation fees for the City of Pittsburg in conjunction with those charged throughout the remainder of East County. It was anticipated that the fee would be implemented on November 1, 2003 for the City of Pittsburg, although there would be a \$300 difference between what the City would be implementing and what was charged by the other jurisdictions.

Councilmember Kee acknowledged that a meeting had been held with other agencies regarding the traffic mitigation fees and that he had also attended the meeting with Assemblymember Cancimilla. He commented that while some State bonds had been issued the legalities of those issuances were being challenged. If rescinded, the State Budget process might be opened all over again. Since one of the bond issues was quite large, he stated it was possible that the State could again pursue a take of City funds.

Councilmember Kee also reported that he had attended two *Shaping our Future* meetings where the policy board had shifted its mind set. Rather than coming up with a compact where all cities could agree, the policy board had decided to prepare principles of agreement, which principles would be vague. The hope was that all of the involved cities would agree to those principles which would allow them to proceed to work out the finer points of that process. He understood that the City of Richmond had already adopted the principles and the project managers for *Shaping our Future* would be going to all of the other cities to get the request out for review and support for the adoption of the new principles of agreement.

Vice Mayor Rios advised that she had recently met with Director of Recreation Paul Flores to discuss the Christmas Holiday Parade. She commended the Pittsburg Courier for announcing that the parade would be held. She also noted that the person of contact for the parade had been identified and those wishing to participate were encouraged to contact Mr. Flores. She clarified that there was a partnership between the Chamber of Commerce, the Pittsburg High School Marching Band and the City of Pittsburg to ensure that the Holiday Parade would proceed.

In response to the Mayor, Director of Recreation Paul Flores reported that staff was in the process of preparing a staff report to the Council for its next meeting which would outline the cost factors, participants and the direction which staff would recommend for the Holiday Parade this year and for years to come.

Mayor Beals advised that she and the Economic Development Director and a representative from the Chamber of Commerce had traveled to Shenyang, China, a community with a population of 7.2 million. A proposal would be presented to the Council on October 20 to summarize the trip and to identify the possibilities of negotiations and possible ventures that the City could pursue with Shenyang.

Mayor Beals commented that the delegation that had traveled to China was of the opinion that Shenyang was the most promising Sister or Friendship City relationship the City of Pittsburg could have in terms of jobs, economic development, pursuits of education and the like. Shenyang was like the City of Pittsburg in that it also had a history of light

industrial uses. She commented on the aggressive and progressive movements that community was making. She spoke to the amount of jobs the community was employing, its growth and the transformation of another city within Shenyang that would be high-tech and which would be called the Hunan Tech District, an entire city to be devoted to high tech industry including medical research, community research and the like. She looked forward to continued relations which could contribute to the industrial and marine areas of the downtown particularly in terms of foreign exchange and import and export businesses.

Mayor Beals also expressed her appreciation to the Rotary Club for its partnership in the Centennial Year celebration with a golf tournament and dinner. She reported that she had also attended the Antioch Rivertown Jamboree having been invited by the City of Antioch to serve as a judge for the backyard barbeque event. She expressed her appreciation for that nice gesture of friendship and participation with Antioch.

Mayor Beals added that she had attended the recent Grand Opening for Starbucks which was located off of State Route 4 and which had also been attended by Councilmember Glynn and Economic Development Director Brad Nail.

Mayor Beals announced upcoming events in the month of October, noting that the month of October was Italian American Month with continued celebrations for the City's Centennial Year. She announced that Pittsburg Police Department Lt. Chuck White would be retiring with a retirement ceremony on Friday, October 18. She presented a photograph of her uncle who was a former Pittsburg Police Officer and Lt. White, who was in the newspaper several years ago regarding a local police action which had received recognition. She planned to present the photograph to Lt. White at his retirement ceremony to show his commitment to law enforcement and to the City of Pittsburg over the past several years.

Mayor Beals added that on October 19, PICA would hold its Annual Opera Luncheon at Zandonella's Restaurant.

As previously reported, Mayor Beals requested that the meeting be adjourned in memory of City employee Joy Welden who had recently passed away. She wished the Welden family best wishes and extended prayers.

CITY MANAGER REPORT

No report was presented.

PRESENTATION

1. Contra Costa Water District Project Update

BETTE BOATMUN, representing the Contra Costa Water District (CCWD) presented a Power Point presentation for the Contra Costa Water District Update for October 6, 2003. She noted the Mission Statement for the CCWD, *To strategically provide a reliable supply*

of high quality water at the lowest cost possible in an environmentally responsible manner.

Ms. Boatmun explained that the CCWD had provided a decade of progress including fiscal responsibility, adequate supplies of high quality water and investment in infrastructure for a sustainable future. The CCWD was formed in 1936 consisting of 137,127 acres with \$858 million in property, facilities and equipment, 778 miles of pipeline, 40 storage reservoirs, 31 pump stations, 59,500 connections, and with 324 employees serving a population of 450,000.

The CCWD's water supply included a contract with the US Bureau of Reclamation for 195,000 acre feet a year although that was increasingly unreliable, with the CVP Improvement Act dedicating 800,000 acre feet a year for fish. There were increasing demands in the State and shortages were projected 50 percent of the time.

Ms. Boatmun noted that the Los Vaqueros Reservoir provided emergency storage and high quality water for blending although it would not supply water for droughts. She identified the improvements made to the CCWD over the past ten years, with stabilized rates, minimized increases and an investment of \$800 million for new facilities to improve reliability and water quality for a sustainable future.

The protection of ratepayers funds were noted with the rate increase held below the rate of inflation. The major CCWD facilities were identified as the Bollman Water Treatment Plant in the City of Concord serving Central County, the Randall Bold Water Treatment Plant located in the City of Oakley which served Oakley and part of Antioch and Brentwood, the Contra Costa Canal, the Contra Loma Reservoir, and the Los Vaqueros Reservoir. Further, the Multi-Purpose Pipeline which was a 21 mile treated water pipeline connected the Randall Bold Water Treatment Plan in Oakley to the CCWD Treated Water Distribution System in the City of Concord.

Ms. Boatmun identified the future changes which would strain the Delta system and water resources including the fact that the State would have 60 million residents by the year 2040, with more competition for water in drought years, exacerbated by a number of other factors that would threaten water quality, impose more stringent drinking water regulations, and require continued regulations and expanded costs for protecting the Delta environment.

Ms. Boatmun advised that a proposed Los Vaqueros Reservoir expansion could improve the drought supplies and drinking water quality for the CCWD and the Bay Area water agencies, and enhance the Delta environment. Further, it would help the CCWD continue cost containment and rate controls. It was noted that the expansion project must improve drought supplies and water quality for the CCWD customers, provide long term environmental benefits that would enhance the Delta, enhance the terrestrial habitat and recreational opportunities, ensure that the CCWD's ownership and control remain, reimburse the financial investment of CCWD customers and not increase the water rates for CCWD customers.

Ms. Boatmun emphasized that before CALFED started the permitting process there would have to be a clear understanding of the requirements to protect the interests of the CCWD and its customers consistent with the voter approved assurances.

Councilmember Parent verified with Ms. Boatmun that if Los Vaqueros Reservoir were essentially doubled in size the other agencies that might partner to do that would be required to pay a portion of the initial costs of the reservoir that had been funded by CCWD ratepayers.

In response to Councilmember Parent as to whether or not the City of Pittsburg's additional cost for raw water would be lowered, Ms. Boatmun described the number of unknowns at this point.

Ms. Boatmun explained that it was unknown, for instance, how many if any other agencies would want to be involved or what the costs to increase the size of Los Vaqueros Reservoir would be, and that would remain unknown pending feasibility studies. She stated that CCWD customers had not been paying for the studies prepared thus far. Those expenses were being borne by the Federal and State government. She also commented that the studies had been held back due to the lack of funds.

MARGUERITE NAILON, Project Manager, CCWD, explained that the studies to date had shown that the CCWD could receive up to \$2 million from the other partners that could buy in. If other partners desired to participate in the project funds would have to be presented up front in that the CCWD would not make the investment. The CCWD could opt to purchase additional storage and use the reimbursement of funds to buy more storage and have more drought protection or direct the funds toward the debt. The funds could also be returned to pay for some advance treatment at the treatment plants offsetting some of the other capital improvement projects that the CCWD would otherwise have to raise rates to support.

Ms. Nailon commented that while a financial benefit to the CCWD and its customers, it would be up to the Board to determine how those funds would be reinvested.

Councilmember Parent questioned whether or not the public would be made aware of the potential use of the funds by the CCWD prior to the advisory vote in March 2004.

Ms. Boatmun stated that the advisory vote was key. As an advisory vote, there was no guarantee that the expansion of Los Vaqueros Reservoir would be one of the projects that would be approved.

Continuing with her presentation, Ms. Boatmun added that an advisory vote would fulfill a CCWD commitment to hear from customers first in that the CCWD Board had adopted advisory principles which would mean that the proposal would be placed before CCWD voters. A positive vote would not authorize funding or construction in that there were five other sites being considered by CALFED. A positive vote would allow CALFED to move forward with environmental review permitting and approval by regulatory agencies,

and would allow project authorization and funding to come from State and Federal legislation and project partners. A no vote would have the practical effect of stopping the CALFED expansion project.

Ms. Boatman read into the record the proposed Advisory Ballot Measure language to be submitted to the voters on March 2, 2004.

Shall Contra Costa Water District work with the public water agencies to expand Los Vaqueros Reservoir, at no cost to District ratepayers, to: (1) increase water supplies for drought protection; (2) improve drinking water quality; and (3) protect endangered fish in the Delta, on condition that (a) CCWD water rates will not increase; (b) no water will be exported to Southern California or a peripheral canal; and (c) CCWD will still operate the expanded reservoir?

Other than Santa Clara, Councilmember Parent inquired whether other potential partners had been identified, to which Ms. Boatman explained that the other possibilities would be Zone 7, Livermore and the Alameda County Water District, which served the cities of Fremont, Newark and that general area. The participation of the Bureau of Reclamation was not known but was a possibility.

As to the relationship between the proposed project and issues involving the Napa area, Ms. Boatman noted that water agencies throughout the State, not including the CCWD, were interested in northern supplies going south, where if, for instance, the move to increase the pumping at Tracy would dilute the good quality of water in the Delta. A potential relocation of the intake could address some of that concern.

Ms. Boatman noted that the CCWD would be the agency that would be completely affected by what occurred in the Delta since the CCWD did not have any other source of water given the unreliability of ground water sources. She added that the notion that Sacramento rice growers were selling their water to the south could affect the CCWD as well. She emphasized that the CCWD needed to do everything possible to protect its source and quality of water.

Mayor Beals thanked Ms. Boatman for her presentation.

City Attorney Daube requested that Consent Item g be removed from the Consent Calendar for the purpose of discussion since the item had originally been scheduled for consideration. To be consistent with the findings, she requested that the item be moved to the Consideration portion of the agenda.

CONSENT CALENDAR

On motion by Councilmember Glynn, seconded by Vice Mayor Rios, and carried unanimously to adopt the Consent Calendar, as follows, with the exception of item g.

a. **MINUTES**

Dated: September 15, 2003

Approved Minutes dated September 15, 2003.

- b. **CLAIMS** #1536, Nathaniel Askew
Denied claim #1536, Nathaniel Askew.
- c. **RESOLUTION 03-9909** Accepting as Complete Contract 93-13; Willow Pass Road/Polaris Drive Improvement Project
Adopted Resolution 03-9909.
- d. **RESOLUTION 03-9911** Authorizing Certain Budget Amendments to be Included in the Fiscal Year 2003-2004 Adopted Operating Budgets Document
Adopted Resolution 03-9911.
- e. **RESOLUTION 03-9912** Authorizing to Pay Annual Fees in the Amount of \$128,186 for Animal Services Provided by the Contra Costa County Animal Services Department, Per Agreement Between the City and County Effective July 1, 1986
Adopted Resolution 03-9912.
- f. **RESOLUTION 03-9913** Awarding Contract 02-04, Presidio Lane Improvement Project to W.R. Forde Associates, Inc. of Richmond, California, for Constructing Improvements on Presidio Lane
Adopted Resolution 03-9913.
- h. **RESOLUTION 03-9917** Resolution Opposing Proposition 54 - Classification by Race, Ethnicity, Color or National Origin Initiative Constitutional Amendment
Adopted Resolution 03-9917.

CONSIDERATION

The following item was removed from the Consent Calendar:

- g. **RESOLUTION 03-9916** Density Bonus Incentive Agreement for Delta Hawaii
Assistant City Manager Nasser Shirazi advised of the request by Brian Temple of

Delta Hawaii Apartments LLC for approval of a Bonus Incentive Agreement to allow a 20 percent increase in housing density (density bonus) and waiver of City parkland dedication fee requirements to construct and establish a 24-unit market-rate senior apartment complex located at 701 Stoneman Avenue.

Approval of the proposed Bonus Incentive Agreement would relinquish the City's ability to collect an estimated \$50,400 in in-lieu parkland dedication fees and the waiver would result in an annual incentive of \$70.00 per senior housing unit for a 30-year period.

Mr. Shirazi recommended that the City Council adopt the resolution to approve the Bonus Incentive Agreement to allow a 20 percent density bonus and waiver of in-lieu parkland dedication fee requirements.

On motion by Vice Mayor Rios, seconded by Councilmember Glynn and carried unanimously to adopt Resolution No. 03-9916.

1. **MINUTE ORDER** Select Firm for City Manager Recruitment

Mr. Shirazi advised that the contract with City Manager Will Casey expires on December 10, 2003. The City Manager wants the Council to select a City Manager Search Firm. Staff has compiled proposals from three different firms.

Funds for the City Manger contracts had already been included in the Fiscal Year 2003-2004 operating budget. Funds for the search firm will be expended from the City Manager's budget line item for Contractual and Professional Services.

Mr. Shirazi recommended that the City Council contract with Shannon Executive Search to conduct the search for the City Manger position.

Mayor Beals made a motion in opposition to the staff recommendation. Rather, she recommended that the Council select Avery Associates to conduct the search for the City Manager position. She commented that the Delta Diablo Sanitation District had recently gone through an intense process searching for a new General Manager and she had been pleased with the thoroughness and efforts of Avery Associates to contact each member of that Board to learn what it was looking for in the way of a General Manager.

Avery Associates had also contacted the employees of the Delta Diablo Sanitation District to learn what they were looking for in the selection of a replacement that would represent the best fit for that Board.

Mayor Beals was pleased with Avery Associates. In her review of the three firms that had provided proposals for the selection of the City Manager they were all similar in cost. Avery Associates would actually be the least expensive of the three firms. She made a motion to move forward with recommending Avery Associates to conduct the search for the City Manager.

Councilmember Kee seconded the motion and requested an amendment to the motion. Since public input was very important, he recommended that public input be included in the process. In addition, input from City staff should be solicited. He recommended the inclusion of both public input and staff input as part of the search process.

Mayor Beals accepted the amendment to the motion.

Councilmember Parent commented that in her review of the three proposals she had contacted people she knew in other areas of the State who had used different agencies. In her research, she had been told that Avery Associates had been very responsive to inquiries and calls. She supported the motion.

Mayor Beals requested an additional amendment to the motion, to request the formation of an Ad Hoc Committee to work with Avery Associates in the search for the City Manager position.

Councilmember Kee accepted the additional amendment.

On motion by Mayor Beals, seconded by Councilmember Kee and carried unanimously to select Avery Associates to conduct the search for the City Manager position and that both public and City staff input be solicited be part of the search process, to also include the creation of an Ad Hoc Committee to work with Avery Associates in that process.

Mayor Beals requested that interested persons wishing to serve on the Ad Hoc Committee contact her prior to the next Council meeting so that appointments could be made during the October 20 Council meeting.

2. **RESOLUTION 03-9918** Resolution Supporting a Statewide Ballot Initiative to Require Voter Approval Before State Government May Confiscate Local Tax Funds

Mr. Shirazi stated that the Association of Bay Area Governments (ABAG) had asked its members to adopt a resolution supporting a Statewide ballot initiative to require voter approval before the State Government may confiscate local tax funds. This initiative had also been sponsored by the League of California Cities and the California State Association of Counties.

Mr. Shirazi reported that there were no fiscal impacts. He recommended that the City Council adopt the resolution in support of the Statewide ballot initiative to require voter approval before the State Government may confiscate local tax funds.

On motion by Councilmember Parent, seconded by Councilmember Kee and carried unanimously to adopt Resolution 03-9918.

3. **REPORT** General Plan Annual Progress Report

Mr. Shirazi reported that pursuant to State Government Code Section 65400(b), a "progress" report on the implementation of the General Plan must be submitted to the City Council and responsible State agencies in October of each year.

Mr. Shirazi advised that there were no fiscal impacts. He recommended that the City Council review and accept the General Plan Annual Progress Report.

On motion by Mayor Beals, seconded by Councilmember Glynn and carried unanimously to accept the General Plan Annual Progress Report.

Mayor Beals stepped down from the dais as a result of a potential conflict of interest with Resolution No. 03-9919 since she was a member of the Board of Directors for the Junior Football League.

Vice Mayor Rios chaired the meeting at this time.

4. **RESOLUTION 03-9919** Junior Football League Request for Community Sponsorship Funds for the 2003 Season

The Pittsburg Junior Football league (PJFL) is a community organization which provides athletic services to approximately 200 elementary/middle school age children within the City of Pittsburg. The mission of the PJFL is to present and apply the concept of sportsmanship, physical fitness, fellowship, athletic competition and recreation to the youth it serves. Toward reaching the mission the PJFL is requesting City sponsorship to offset costs in the area of equipment replacement, upgrades, promotions and facility usage cost. The amount requested by PJFL is \$2,000. The Recreation Commission had reviewed the PJFL request for sponsorship within its July 10, 2003 meeting. The Commission recommends the City Council approval of community sponsorship program funds in the amount of \$2,000.

Mr. Shirazi advised that funds had been budgeted in the General Fund Non-Departmental Account #10-1100-7570 with the current balance for the Fiscal Year 2003-2004 of \$10,000.

Mr. Shirazi recommended that the City Council adopt the resolution approving the request from the Junior Football League for Community Sponsorship Funds for the 2003 Season.

On motion by Councilmember Glynn, seconded by Councilmember Parent to adopt Resolution No. 03-9919, carried by the following vote:

Ayes: Glynn, Kee, Parent, Rios
Noes: None
Absent: Beals [Recused]

Mayor Beals returned to the dais at this time.

5. **RESOLUTION 03-9920** Pittsburg Unified School District Request for Community Sponsorship Program Fund

Mr. Shirazi advised that the Pittsburg Unified School District's Special Education Department is requesting funding from the Community Sponsorship Program to co-sponsor an educational trip to Yosemite Park Institute. The trip is designed to provide twenty (20) challenged students with personal educational experiences relative to the ecosystem and environment. This excursion will also provide recreational activities to include hiking and orienteering. The Recreation Commission has reviewed the request for funds application and interviewed the applicant. The Commission found the request for funds in order and recommends City Council approval of \$1,000.

Mr. Shirazi reported that funds had been budgeted within the General Fund non-departmental account #10-1100-7570, with a current balance of \$10,000 for Fiscal Year 2003-2004.

Mr. Shirazi recommended that the City Council adopt a resolution approving the request from the Pittsburg Unified School District for Community Sponsorship Program Fund.

On motion by Councilmember Glynn, seconded by Vice Mayor Rios and carried unanimously to adopt Resolution No. 03-9920.

6. **RESOLUTION 03-9921** Allocating Additional Funding for Contract 99-05, State
Combined w/RDA 03-924 Route 4 Flood Relief Project and Making Certain Findings in Connection Herewith

On May 19, 2003, the Redevelopment Agency adopted Resolution No. 03-890 allocating funding for Contract 99-05, State Route 4 Flood Relief Project. On May 19, 2003, the City Council had adopted Resolution No. 03-9818, awarding a construction contract in the amount of \$6,833,135. During the course of construction the Contractor had encountered a variety of construction issues which had depleted the contract contingency.

Action was taken to adopt Resolution 03-9921 in Joint Session with the Redevelopment Agency, as follows:

On motion by Councilmember Glynn, seconded by Vice Mayor Rios and carried unanimously to adopt City Council Resolution 03-9921.

PUBLIC HEARING

1. **RESOLUTION 03-9922** Supplemental Law Enforcement Services Fund (SLESF)

Mr. Shirazi reported that the Pittsburg Police Department is seeking City Council

authorization to accept and appropriate funds from the Supplemental Law Enforcement Services Funds 2003-2004. He recommended that the City Council approve the requests from the Chief of Police to accept and appropriate funds from the SLESF.

Mayor Beals opened the public hearing for Resolution 03-9922. There were no comments for or against Resolution 03-9922. Mayor Beals closed the public hearing.

On motion by Councilmember Glynn, seconded by Vice Mayor Rios and carried unanimously to adopt Resolution 03-9922.

2. **RESOLUTION 03-9923** Extension of Urgency Measure for the Facility Reserve Charge for Increase in Contra Costa Water District Raw Water Fees

Mr. Shirazi commented that the Contra Costa Water District Board had regularly raised the raw water fee since 1993. This is in recognition of the rapid growth in water service demand resulting from the dramatic population increase and the need to provide water service in the future to an ever expanding populace.

The urgency-extension resolution before the Council at this time extends the urgency Resolution No. 03-9908, passed by the Council on September 15, 2003, for thirty days or until the permanent Resolution No. 03-9907 takes effect.

Mr. Shirazi explained that any negative fiscal impacts on the City would occur only if the resolution was not passed in which case the increase in the CCWD Facility Reserve Charge would come out of the City's General Fund.

Mr. Shirazi recommended that the City Council adopt the Urgency-Extension Resolution passing on the increase in the Contra Costa Water District's (CCWD) Facility Reserve Charge.

Mayor Beals opened the public hearing for Resolution 03-9923. There were no comments for or against Resolution 03-9923. Mayor Beals closed the public hearing.

On motion by Councilmember Glynn, seconded by Councilmember Parent and carried unanimously to adopt Resolution 03-9923.

Mayor Beals reminded City staff to bring back the recommendations for the two Ad Hoc Committees; one for the California Theatre and the other for the City Manager position selection, to the Council meeting of October 20.

Councilmember Parent commented that over the past few days she had received two memorandums from the City Manager's office regarding an issue that she had raised several times regarding the desire to move forward with the Community Services District for the San Marco Project and all future projects. The memorandums had indicated a long timeline which she stated was unacceptable.

Councilmember Parent noted that work had been done and left undone following a decision by the City Council on January 26, 2001. She suggested that there was no reason that the City could not move ahead quickly on the matter. She sought a consensus of the Council to direct the City Manager to proceed and have a contract ready for Council approval by the October 20 Council meeting to hire the firm that had prepared the report to update the report, and that the City Manager's Office and all City Departments move with all haste to get the necessary work done and provided to the firm to allow the update of the report.

In particular, Councilmember Parent stated that one of the memorandums had indicated a need to dream up an entirely new beat system which in her opinion was not necessary in order to adopt the plan for Council consideration. Failure to have that work done on the part of the Department should not hold up moving the matter forward.

Mayor Beals understood that the matter could be brought before the Council as a consideration item for the meeting of October 20. She had no problem with the request.

Councilmember Glynn commented that a 1.8 staffing ratio had been approved in the General Plan and if the purpose of the assessment was the purpose of providing additional police officers, there was no additional requirement for permission to move forward based on the General Plan in that it was simply not budgeted for additional officers.

Mayor Beals advised that there was a consensus from the Council to place the matter on the October 20, 2003 agenda for consideration.

ADJOURNMENT

The meeting of the City Council adjourned at 9:03 P.M. *In Memory of City of Pittsburg Employee Joy Weldrn* and then to the regular City Council meeting scheduled for October 20, 2003

Respectfully submitted,

Lillian J. Pride, City Clerk

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